REMARKS/ARGUMENTS

In light of the above amendments and remarks to follow, reconsideration and allowance of this application are respectfully requested.

Claims 1, 5-19, 21-24, and 26-28 are pending in this application. Claims 20, 30 and 32 are canceled.

Claim 5 was objected to because of an incorrect dependence on canceled claim 4. Claim 5 has been amended to depend from claim 1. Accordingly, this objection has been overcome.

Claims 1, 5-12, 16-19, 28 and 30 were rejected under 35 U.S.C. §103(a) as being unpatentable over Kim et al. (U.S. Patent 6,104,753) in view of Demos (U.S. Patent 6,728,317).

The present invention is directed to "down-converting interlaced scanning formatted input compressed picture information encoded according to the MPEG2 (motion picture experts group) standard to progressive scanning formatted output compressed picture information encoded according to the MPEG4 standard." (Claims 1 and 28) The Examiner relies upon Demos for disclosing the MPEG4 standard. (Office Action page 3) However, Demos simply discloses the initial compression of data into the MPEG2 or MPEG4 formats and not a conversion of data already encoded in the MPEG2 format to the MPEG4 format as recited in the present claims. (Column 2, lines 25-27). Hence, Demos (like Kim) fails to disclose a method of down-converting from MPEG2 to MPEG4 as required in the present invention.

Moreover, the present claims recite "decoding the I-pictures and P-pictures of the input compressed picture

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information ... on a macroblock basis using four of eight <u>low-range</u> discrete cosine transform (DCT) coefficients in each of the horizontal and vertical directions of the macroblock." (Claims 1 and 28) The Examiner asserts Kim discloses the use of 4 of 8 DCT coefficients in Figure 3 and at Column 8, lines 15-20. (Office Action page 3) However, as shown in Figure 3, Kim selects a corner quadrant of coefficients rather than the low-frequency coefficients (which Applicants believe are located in the center of Figure 3) as required in the present claims. Hence, Kim fails to meet the recited "four of eight <u>low-range</u> discrete cosine transform (DCT) coefficients" limitation.

Accordingly, for at least these two reasons, Kim and Demos fail to obviate the present invention and the rejected claims should now be allowed.

Claims 13-15 were rejected under 35 U.S.C. §103(a) as being unpatentable over Kim in view of Demos and Staver et al. (U.S. Patent 5,463,569). Claims 20-24 were rejected under 35 U.S.C. §103(a) as being unpatentable over Kim in view of Demos and Katayama et al. (U.S. Patent 5,621,826). Claims 26-27 were rejected under 35 U.S.C. §103(a) as being unpatentable over Kim in view of Demos and Kondo (U.S. Patent 5,835,138). However, Staver, Katayama, and Kondo each fail to meet the same limitations discussed above in relation to Kim and Demos. Accordingly, any combination of Kim, Demos, Katayama, Kondo and Staver fails to obviate the invention for the same reasons.
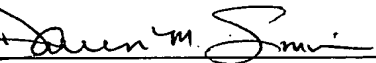
In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue.

If, however, for any reason the Examiner does not believe that such action can be taken at this time, it is respectfully requested that he/she telephone applicant's attorney at (908) 654-5000 in order to overcome any additional objections which he might have.

If there are any additional charges in connection with this requested amendment, the Examiner is authorized to charge Deposit Account No. 12-1095.

Dated: August 15, 2007   Respectfully submitted,

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